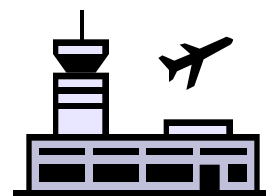




FLIGHT PLAN

October 2001



VOL. 7, NO. 4



SAT Reacts to National Crisis... Safety is Highest Priority



The tragic events at the World Trade Center, the Pentagon and Pennsylvania have greatly affected us all. We at San Antonio International Airport know that words cannot adequately describe the damage that has been done and the grief that the victims' families, and the world at large, are now enduring. The world has changed irrevocably following the terrorist attacks of September 11, 2001.

In the aftermath of these calamities, the city of San Antonio and we at the Aviation Department, along with our airline and airport tenants, are more determined than ever to ensure the safety of our traveling public. New steps are being implemented at SAT by order of the United States government which, though requiring some inconvenience and more time for passenger processing, will enhance security and safety.

Since September 11, SAT has seen some reduction in service frequencies to its top destinations, but no destination has been dropped. In fact, Southwest Airlines confirms that it will begin new nonstop flights to San Diego, CA and Raleigh Durham, NC on October 28. Passenger loads on flights leaving SAT are averaging over 50% with some flights meeting or exceeding the previous average of 71%.

We, at SAT, feel strongly that the best response is to provide a level of safety and service that can support a free and prosperous future.

Aviation Director Kevin C. Dolliole

Airport Initiates Programming Study

To allow for an orderly sequencing of future airport expansion, a contract to develop a Terminal Expansion Programming Study was approved by the San Antonio City Council on August 9, 2001. This initiative is being driven by the Airport Master Plan, completed in 1998. This Plan calls for construction of additional concourses/gates to meet projected passenger growth, as well as demolition of the old, outdated Terminal 2 to make room for future airport expansion slated up to and beyond the 2015 planning horizon. The firm of Marmon Mok was chosen to do the Terminal Expansion Programming Study.

According to Aviation Director Kevin Dolliole, "The Programming Study will permit the City to respond in a timely manner to future facility requirements as passenger growth dictates. It will be based on passenger projections from the Master Plan. Construction is not expected to start any earlier than 2003."

The purpose of the Study is to provide basic terminal and roadway layouts, consistent with the Airport Master Plan, and to develop detailed terminal plans. The Study will address: airfield logistics and impacts on these facilities; aircraft gate configurations; terminal floor plans – hold rooms, concessions and baggage claim areas; terminal roadway layouts; traffic and passenger movement simulations; parking and ground transportation interfaces with the terminals; curbside traffic logistics; and baggage handling.

The Study represents the first step in the Terminal Expansion Project, which ultimately proposes to add a six-gate Concourse B to Terminal 1 and replace Terminal 2 with Concourse C. Concourse C will be planned in incremental development phases up to a maximum of 12 gates. Once the Study is completed, an architectural firm will be hired to develop construction plans for the first phase of the Terminal Expansion Project.

"In addition, San Antonio International Airport is well underway with its Terminal Renovations and Concessions Redevelopment Projects, which should be completed at the end of 2002," said Dolliole.

IN THIS ISSUE

Cover Story:

- SAT Reacts to National Crisis
- Airport Expansion Plans Take Off

Tenant Spotlight: Vulcnaire	2
FAA Approves SAT's PFC	2
Sino Swearingen SJ30-2 Static Test	2
Stinson Receives Historical Marker	3
Kelly AFB Closes Forever	3
President Bush Visits San Antonio	3
San Antonio Conventions	4
SAT Stats	4

TENANT SPOTLIGHT: VULCANAIRE

STARTS UP AIRLINE-EMERGENCY MAINTENANCE BUSINESS

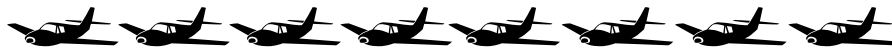
San Antonio International Airport is the home of a new emergency maintenance aircraft-repair company launched by John Beukman. Mr. Beukman has worked for: The Boeing Co.; McDonnell Douglas in Saudi Arabia; Aero Novali in Venice; and Lan Syria in Johannesburg, South Africa. However, this is his first entrepreneurial venture.

Nayak offers aircraft fueling for business jets, commercial airlines and air cargo carriers. Vulcnaire will offer 24-hour-a-day, seven-day-a-week service to perform emergency maintenance for a full range of aircraft. Its mechanics are also licensed to work on engines and auxiliary power units, fix brakes and repair tires.

Lines, as well as its regional carrier Atlantic Southeast Airlines, to work on their fleets of aircraft serving SAT. The service to these airlines will be available as a back-up maintenance between the hours of 7 p.m. and 7 a.m.

Beukman formed a strategic alliance with Nayak Aviation Corp. to sublease ramp and storage space for his new company at SAT.

Vulcnaire recently received approvals from Southwest Airlines, Northwest Airlines, United Airlines and Delta Air



FAA APPROVES SAT's PFC

During August 2001, the Federal Aviation Administration (FAA) approved San Antonio's application to impose and use a passenger facility charge (PFC) at San Antonio International Airport (SAT). The PFCs will be used to fund several upcoming capital improvement projects at SAT, including proposed terminal renovations and expansion. Collection of PFCs will commence November 1, 2001.

Comments and submissions are welcome. Send to: 9800 Airport Blvd., San Antonio, TX 78216. For more information, call (210) 207-3450.

Aviation Director
Kevin C. Dolliole

Assistant Director/Operations
& Maintenance
Dom Smith

Assistant Director/Finance
& Administration
Ryan Martinez

Executive Assistant
Barbara Prossen, A.A.E.

Business Development Manager
Carol A. Tucker

Sino Swearingen Makes Progress on SJ30-2 Static Test



Sino Swearingen began a full-scale static test program on its SJ30-2 business jet on August 15, 2001, after the airframe, designated TF-2, was fully instrumented and loaded into the test fixture. The static test program is expected to be complete by mid-summer 2002. Static tests assess the aircraft at loads at or beyond the maximum it will ever experience in flight or on the ground.

Eight major static tests are required to obtain Type Inspection Authorization (TIA), which establishes that all of the necessary requirements for the structural integrity and flight safety characteristics of the aircraft have been completed. The static and fatigue testing are being accomplished in the company's structural test facility, a three-story hangar located at San Antonio International Airport.



The seven-place aircraft with a 2,500 nautical mile NBAA IFR range will fly at speeds in excess of Mach .80 and operate at altitudes up to 49,000 feet. Sino Swearingen expects to certify the SJ30-2 in late 2002, with deliveries beginning in mid-2003.



Marjorie, Eddie & Katherine Stinson

Stinson Receives Historical Marker

A Texas Historical Marker was unveiled August 24, 2001 at the entrance to Stinson Municipal Airport, which over the past 85 years has been visited by such famous people as aviator Charles Lindbergh, eventual President Dwight D. Eisenhower and World War I ace Eddie Rickenbacker.

The Stinson family of pioneer aviators founded the airport in 1916 when they leased 500 acres for \$5 a year from the city of San Antonio. While Katherine Stinson toured the world to raise money and set flying records, her sister, Marjorie, served as the chief instructor. More than 100 Canadian Air Force pilots trained at the Stinson School before it closed two years later. Katherine Stinson's accomplishments include being the fourth woman licensed to fly in the United States, the first person to skywrite and the only woman to attempt to enlist as a pilot in World War I. Marjorie Stinson was the first flying mail carrier in Texas, traveling from Seguin to San Antonio in 1915. Their brothers, Eddie and Jack, also held aviation records.

The airport since has been operated either by the city or the military. Today Stinson, which is the second oldest continuously operating general aviation airport in the U.S., is the designated general aviation reliever airport for San Antonio International Airport. The airport, currently with 117-based aircraft and 150,000 annual operations, is the home to three fixed base operators, two flight schools and an air cargo operator.

"This airport has meant a lot to a lot of generations," Councilwoman Toni Moorhouse said at the dedication, as she recalled days as a flight student at Stinson. John Stinson - grandson of Jack, the only Stinson sibling to have children – was among dozens of people who attended the dedication ceremony.

KELLY AFB CLOSES FOREVER

Begun in 1916 as an aviation hub during World War I and later reinvented as a major air logistics center, the 85-year old Kelly Air Force Base was officially closed July 13, 2001. Some of the nation's most famous planes became part of Kelly's skyline over the decades, among them the JN-4 Jenny, the B-29 Superfortress, the B-52 Stratofortress, and the C-5 Galaxy. In that time, those planes, and the mechanics who kept them flying, helped wage five wars.

The Defense Base Closure and Realignment Commission in 1995 ordered the closure of Kelly, the oldest contiguously operating installation in the Air Force. Kelly was one of 27 bases and posts targeted by the 1995 commission.

On July 13, 2001, the western part of Kelly AFB, with its runway and taxiway systems, was realigned to abutting Lackland Air Force Base, while the eastern section was transferred to the Greater Kelly Development Authority (GKDA).

Today, GKDA operates the former east area of Kelly AFB under the name KellyUSA. It is well underway in realizing its goal of transforming these facilities into a premier business and industrial park for major aircraft maintenance. The giant hangar that once housed the C-5 transport is now home to the Boeing Co. Other major aviation firms operating at KellyUSA are Lockheed Martin, General Electric, Pratt Whitney, Chromalloy, MQS Inspections, and Standard Aero. During July 2001, the Air Force approved a Joint Use Agreement with GKDA for use of the runway.

PRESIDENT BUSH VISITS SAN ANTONIO ON AIR FORCE ONE'S FINAL VOYAGE



On Wednesday, August 29, 2001, President George W. Bush flew into San Antonio International Airport aboard Air Force One. President Bush was in San Antonio to speak to the American Legion Convention.

The aging Boeing 707 aircraft, that has shuttled American leaders for nearly three decades, was retired after the President's return trip from San Antonio to Waco, TX. It was then taken to the Ronald Reagan Museum in California, where it will be put on display.

SAN ANTONIO CONVENTIONS

During the fourth quarter of 2001, the City of San Antonio will host more than 110 conventions with over 87,000 delegates. Among those visitors to San Antonio will be:

	DATES	ORGANIZATIONS	DELEGATES
Oct	01 - 04	American Society for Industrial Security	13,000
Oct	14 - 18	American Association of Blood Banks	7,000
Oct	21 - 24	Medical Group Management Association	5,000
Nov	03 - 07	Irrigation Association	3,955
Nov	03 - 09	Association of Military Surgeons of the U.S.	6,400
Nov	11 - 13	Specialty Tools & Fasteners Distributors Association	4,000
Dec	01 - 04	American Association for Respiratory Care	6,900
Dec	05 - 08	Texas Association for the Gifted & Talented	5,000
Dec	10 - 13	Breast Cancer Symposium	2,000
Dec	15 - 19	US Department of Education	1,900

Convention Calendar Source: San Antonio Convention & Visitors Bureau

2001 SAT YEAR-TO-DATE STATS

	Through June '00	Through June '01	Change
Domestic Enplanements	1,756,109	1,757,073	0.1%
International Enplanements	56,054	56,021	-0.1%
Charter Enplanements	18,324	2,601	-85.8%
Total Enplanements	1,830,487	1,815,695	-0.8%
Total Freight (lbs)	102,921,326	74,201,259	-27.9%
Total Mail (lbs)	40,116,335	36,428,459	-9.2%